

*Paul Road
Provo Canyon
Highway Department*

DIRECTOR
RY C. HELLAND



STATE HIGHWAY ENGINEER
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Utah State Department of Highways

State Office Building

Salt Lake City, Utah 84114

Senator Robert F. Clyde
R. F. D.
Heber City, Utah

Subject: Joint Resolution Regarding Railroad
Right-of-Way in Provo Canyon

Dear Senator Clyde:

We note that you have introduced a joint resolution which proposes the transfer of ownership of 18.5 miles of railroad right-of-way from the State Road Commission to the Division of Parks and Recreation. The right-of-way involved is a major part of the discontinued Provo Canyon Branch from Olmstead to Heber City, which was purchased by the Commission to facilitate construction of highway improvements in Provo Canyon.

The State Highway Department, for many years has included in its long-range program improvements to the highway between Olmstead and Heber City. On September 17, 1965 the State Road Commission reserved funds for construction of the first segment of the highway as part of the 1968 fiscal year program. Knowing that proposals had been made to discontinue use of the Provo Canyon Branch and realizing that much of that lines' right-of-way could be used in making the needed highway improvements, our staff entered negotiations with the D & R G Railroad for purchase of the right-of-way and trackage. A contract with the Railroad was executed May 15, 1969, selling the line to the Road Commission for \$264,000. This price was justified by the facts that portions of the right-of-way could be used for highway purposes, rails and ties could be used in railroad relocations on other projects and the ultimate cost of highway improvements could be substantially reduced because railroad separation structures would not be required. Purchase of the property was made and federal-aid reimbursement obtained on this basis.

The State Highway Department subsequently requested bids for removal of the tracks and ties. At this time the Commission was approached by a group of citizens proposing use of a portion of the trackage for a tourist excursion run

"safe today - alive tomorrow"

between Heber City and Wildwood. I recall that you attended many of the meetings between this group and the Road Commission and are aware that the group requested that the Commission defer action on track removal until certain other actions could be accomplished. The group's request and the Commission's response are stated in the attached correspondence, resolution and agreements. The agreement reached was that the tracks from Olmstead to Wildwood would not be removed before April 1, 1971, allowing locomotives and railroad cars to be moved into the Heber area and that another year, until April 1, 1972, would be allowed to determine the feasibility of the tourist line and the execution of an agreement which would guarantee reimbursement to the Road Commission, not only of the cost of the property, but additional costs resulting from continued operation of the railroad from Wildwood to Heber City.

Your resolution as introduced proposes changes in the basic understanding and conditions agreed to with the Citizen's Committee. As it is written, the resolution shifts a large share of the financial burden for the project to the highway users and does not adequately protect their interests.

The additional construction costs required to retain the rail line in operation from Wildwood to Heber City are not precisely known at the present time, but would total at least several hundred thousand dollars. The most costly feature being at least one railway - highway separation structure costing in the range of \$300,000 to \$500,000. The Highway Department would be very willing to work with the operators of the rail line to minimize the costs of continuing rail operation. However, we feel that additional costs which cannot be eliminated must be met from either the private sector benefited or from the general revenue of the State, not from revenue derived from the highway-user in the form of fuel taxes.

A number of legal and administrative problems would also arise as a result of enactment of the resolution in its present form. As was stated earlier, the purchase of the railroad property was not justified solely by the value of the land to be used for highway purposes but by the use of the rails on the other projects and the mitigation of construction costs resulting from elimination of the railroad. It is our understanding that if the property were not used for the purpose for which it was purchased, not only would the purchase price have to be refunded to the Federal Highway Administration, but all increased costs incurred as a result of continued railroad operation would have to be made solely at the expense of the State of Utah without the benefit of federal-aid. A constitutional question on the indirect diversion of highway funds to non-highway uses would also be raised. - This I can't believe

While the economic benefit to the State and its citizens to be derived from the operation of a tourist rail line and its economic feasibility are matters to be determined by others than the Highway Department, all additional costs should be considered in determining the economic feasibility of the project and such costs should be provided from the proper source.

The position of the Road Commission remains unchanged from that stated in its resolution of September 25, 1970, that is, that it would willingly sell the portion of the old railroad right-of-way beyond the point where it is needed for

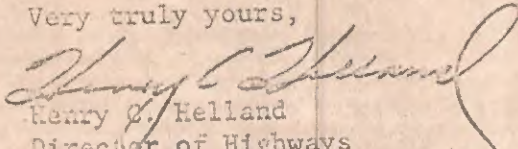
Could this be true?
How can we then justify standards build
Solve for individual farmers, ranchers?
INDUSTRY
Highway users?
Could it be special interest groups
Truckers, petrochem, who need road?
It citizens who need road?

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highway purposes for use as a tourist rail line provided a decision can be reached by April 1, 1972 and the cost of the property and the additional construction costs are paid to the Commission. These conditions were acceptable to the Citizen's Committee in 1970 and were the basis for a change in the Road Commission's program. — *we knew we bought only time.*

Should you desire additional information on this matter, I would be pleased to meet with you at a mutually convenient time.

Very truly yours,


Henry C. Helland
Director of Highways

ATTACHMENTS